

**2012 - 2013 VIRGINIA**  
***Building Collaborative Communities***  
**PROJECT PLAN REQUEST**

**INSTRUCTIONS**

**Applicants must submit their completed Project Plan electronically by 5 p.m. on September 17, 2012. Because of the time sensitive nature of this program, plans received after the September 17 deadline will not be considered.**

**All applications and supporting documentation must be submitted in the Centralized Application and Management System (CAMS). Your organization has to register in CAMS before applying for funding. CAMS can be accessed at [www.dhcd.virginia.gov](http://www.dhcd.virginia.gov)**

**Questions can be directed to Michelle Jones at [michelle.d.jones@dhcd.virginia.gov](mailto:michelle.d.jones@dhcd.virginia.gov) or 804-371-7131.**

## **Introduction**

The Virginia Department of Housing and Community Development (VDHCD) and partnering agencies are pleased to announce that funding is available for the *Building Collaborative Communities* program for fiscal year 2012-2013. The primary objective of this program is to promote regional economic collaborations in economically distressed areas that stimulate job-creation, economic development, and provide a significant return on State investment.

Selected projects will focus on and facilitate significant involvement from the private sector, economic development agencies, community organizations, educational institutions, nonprofits, local leaders and governmental officials. Investment and engagement from the local private industries will be a vital component of this program. Proposals are expected to target areas that do not have existing, regionally focused organizations, or those which have newly formed, emerging, regional entities.

Activities undertaken will be designed to identify and develop economic development strategies compatible to the target region and therefore will require significant input from a broad and diverse contingent of stakeholder groups. Emphasis will be placed on uncovering and leveraging of locally-based resources to promote sustainable development. Examples of appropriate proposal products include, but not limited to, strategies focusing on the growth of home-grown entrepreneurs and small businesses, development of specialized business sectors, workforce development, marketing efforts to attract private investment and job creation, or other actions as appropriate to the selected region. Ultimately, a clearly-articulated plan for developing and guiding regional economic development activities will be created.

## **Economic Development Through Capacity Building**

Community capacity underpins and spurs economic development. Sustainable community and economic development does not come from the outside in, but rather, from the assets and leadership from within the community. Capable leadership is a key factor in a community's sustainable growth and economic development. Thus, it is imperative for communities to develop leaders with the capacity and commitment to help their communities survive and thrive. Developing ways to enhance and strengthen local leadership is necessary for distressed communities to compete in the knowledge-based economy. Human resources are the community's greatest asset in addressing sustainable economic development issues, and community and economic development initiatives are difficult to sustain without a constant source of strong and devoted leaders.

## **Regional Collaboration**

In the global economy, regions must serve as the economic unit. Economic boundaries are not defined by political boundaries. Economic research shows that in areas around the country where localities work together cooperatively, economic competitiveness is enhanced. Quality of life indicators such as income disparity between localities, area median income, and job creation are more positive in areas that interact on a regional level. Regional, community-based strategies that capitalize upon the unique assets of communities offer stronger opportunities for success and long-term sustainability. Location decisions made by businesses are based on a number of factors, ranging from quality of life, local amenities, supply chain availability, and workforce

competency to name a few—low on the list of considerations, if at all, are geographical boundaries. Collaborative efforts represent the best opportunity for economic growth and prosperity.

### ***Building Collaborative Communities Guidelines***

The Commonwealth has appropriated FY2013 funds \$200,000 in support of this program. Additional assistance from other state agencies may be available. It is expected that not more than three proposals will be selected for funding. Applicants must provide thorough responses to the **Project Plan** outline by the September 17, 2012 deadline.

#### *Eligible Applicants*

It is important to keep in mind the intent of this program is to align and capitalize resources without regard to pre-existing boundaries. Applicants are expected to identify and establish regional partnerships that encompass logical, naturally-formed areas that are not bound by historically-established service or membership areas.

Eligible applicants may be units of local government, regional partnerships, planning district commissions, and economic development organizations. Applicants must be broad-based partnerships comprised of leaders from relevant organizations and stakeholder groups. It is not necessary for a formal structure to be in place at the time of application, instead, the organizational development of an entity can be proposed as an output of the project. Proposals should target areas that do not have existing, regionally focused organizations, or those that have newly formed, emerging, regional entities.

In order to be considered regional under this program an application must include a minimum of at least **two counties or one city and one county**. Applicants must identify the lead entity as part of the submission. Applicants are encouraged to “stretch” beyond the traditional comfort zone boundaries and target more localities than the minimum required **and** seek to create new partnerships and relationships.

Upfront collaboration and communication is imperative. Only one application per locality will be accepted. Multiple applications targeting the same locality will not be considered.

#### *Potential Activities*

Activities must be designed to strengthen the economic competitiveness of distressed areas through regional collaborations. Possible activities can include:

- Engaging in a strategic planning process to develop a viable economic development plan for the region. This process should include a broad and diverse base of community leadership such as private businesses, educational and civic leadership in addition to local government leaders.
- Developing a formal implementing structure to further previously identified strategies.

- Capacity-building activities such as organizational development and training, developing a mission statement, goals, and objectives, and developing management and operation plans.
- Identifying and recognizing place-based assets that could be used for economic development.
- Taking a realistic look at current strengths and weaknesses and be willing to address through joint action.
- Aligning economic prospects with labor market or other logical geographic definitions.
- Considering multifaceted and regional marketing efforts, quality business and industrial site availability, workforce development needs, support for small business and entrepreneurship and the availability of incentives.
- Promoting revenue sharing among the localities to encourage the joint regional development of infrastructure, sites and facilities and the sharing of resulting increased revenues across political boundaries.
- Supporting regional marketing and tourism initiatives.
- Providing incentives in the allocation of state funding formulas to encourage regional service provision.
- Focusing on both long term strategies and shorter term action steps with benchmarks for progress.
- Providing meaningful incentives to areas that address economic development needs and issues on a regional, rather than a local, basis.
- Developing a process to evaluate and measure the program impact.
- Identifying best practices and models from comparable regions.

#### *Ineligible Activities*

Activities not eligible for funding include:

- Duplication of ongoing or recent efforts.
- Use of funding as a substitute or replacement of other funding.
- More than two BCC awards for any previously funded organization.

### *Distressed Areas*

Applications which target at least one unit of local government that has been classified as Distressed using the criteria described below are a priority of the program and will receive additional consideration during the review and evaluation process.

The measures of ***Persons in Poverty***, ***Median Income per Household***, and ***Average Unemployment Rates*** have been used to assess the level of stress for all localities in the Commonwealth. Localities received two points for each factor in which they met Distressed levels, one point for each factor at Transitional levels, and no points for each factor at Competitive levels. Localities with 5 or more points are considered Distressed.

### ***Persons in Poverty***

(2010 Estimates, U.S. Census Bureau)

- Distressed: 150% or greater than statewide figure (or 15.9% or higher)
- Transitional: Greater than the statewide figure of 10.6% but less than 15.9%
- Competitive: Equal to or less than statewide figure of 10.6%

### ***Median Income per Household***

(2010; U.S. Census data)

- Distressed: 70% or less of statewide figure (or \$41,560 or less)
- Transitional: Less than the statewide figure of \$59,372 but greater than \$41,560
- Competitive: Equal to or greater than statewide figure of \$59,372

### ***Average Unemployment Rates***

(2011 data; Virginia Employment Commission)

- Distressed: 150% or greater than statewide figure (or 10.2% or higher)
- Transitional: Greater than the statewide figure of 6.8% but less than 10.2%
- Competitive: Less than or equal to statewide figure of 6.8%

In addition to the above criteria, localities classified as having *High Stress* per the Commission on Local Government's *Report on Comparative Revenue Capacity, Revenue Effort, and Fiscal Stress of Virginia's Counties and Cities* will be considered as Distressed for purposes of this program.

Utilizing these measures, the following localities are classified as Distressed.

Accomack County	Hampton City	Petersburg City
Bedford City	Harrisonburg City	Portsmouth City
Bristol City	Henry County	Prince Edward County
Brunswick County	Hopewell City	Radford City
Buchanan County	Lee County	Richmond City
Buckingham County	Lexington City	Roanoke City
Buena Vista City	Lunenburg County	Russell County
Carroll County	Lynchburg City	Scott County

Charlotte County	Martinsville City	Smyth County
Covington City	Mecklenburg County	Sussex County
Cumberland County	Newport News City	Tazwell County
Danville City	Norfolk City	Waynesboro City
Dickenson County	Northampton County	Williamsburg City
Emporia City	Norton City	Wise County
Franklin City	Nottoway County	Wythe County
Fredericksburg City	Page County	
Galax City	Patrick County	
Grayson County		
Greensville County		
Halifax County		

#### *Award Thresholds*

Up to three awards are anticipated to be awarded under the *Building Collaborative Communities* program. First-time applicants may request up to \$100,000 per project. Previously funded BCC grantees may apply however, funding for those organizations are at a lower priority. Previously funded BCC grantees may only request up to **\$50,000** and will not be eligible for further funding after this year.

#### *Match Requirements*

Matching funds equivalent to 50 percent of the requested *Building Collaborative Communities* program funds must be committed. This includes a local minimum cash match requirement of at least 25 percent. The balance of matching funds may include sources such as State, local, and private resources. Documentable in-kind matching funds are acceptable. *Previously funded BCC organizations must explicitly document that any proposed matching funds were not included in their prior BCC application.*

Any matching funds must be available to be used as necessary for completion of tasks under this program. Activities already underway that can be specifically attributable to supporting the project may be proposed; however, there must be a clear linkage to support this claim in the proposal.

Note the 50 percent overall match and the 25 percent local cash match is the minimum required. The availability of leverage funds will be considered in the evaluation of proposals, and those documenting the commitment of more than the minimum will receive higher consideration.

#### *Period of Performance*

Proposals are due by September 17, 2012. Selected applicants should anticipate award notification by early-October, 2012. Project activities should be slated to begin by late-October 2012. Applicants should expect to complete all activities within a 12-month period.

#### *Entrepreneurship and Workforce Development and Investment Promotion*

Applicants are expected to develop place-based economic development strategies to support sustainable economic development. While strategies may entail development of technology-

based industrial and advanced manufacturing sectors, efforts focused on furthering the region's entrepreneurial foundation will also be viewed as equally important.

Small businesses and entrepreneurs account for the majority of job creation in today's economy. Communities need to recognize, foster, and capitalize these assets, using them as sparkplugs for community and economic growth. Local businesses, small business development centers, business member organizations, educational institutions, workforce boards, and economic development entities should be committed, active participants in this effort.

Proposals that include activities related to workforce development, including labor force assessments, identification of business and industry needs, development of workforce training or additional higher education curriculum development, and other related appropriate activities may be eligible for additional funding; a determination of the appropriateness and amount of additional funding will be assessed during the proposal evaluation.

#### *Participation of State Resource Offices*

This broad-based program will bring to bear resources from a number of state entities, including the Lieutenant Governor's Office, Department of Business Assistance, Virginia Tourism Corporation, Virginia Economic Development Partnership, the Department of Housing and Community Development, the Virginia Community College System, and other agencies as appropriate. It is anticipated that a Virginia Collaborative Communities Team, comprised of representatives from these agencies, will be deployed to provide technical assistance as needed. This team will be responsible for review and funding decisions.

#### *Eligible Costs*

Administration costs are limited to five percent of the total *Building Collaborative Communities* program funds. Typical administrative costs include: advertising, audit services, legal expenses, printing and postage, workshop expenses, and general project administration. The largest single administrative cost item is typically general project administration. An applicant may plan on administering its own project or may contract with a service provider.

#### *Pay for Performance*

Following the award of funds, grantees must prepare a project budget using a prescribed format. This budget must reflect current budget activities and funding sources (both *Building Collaborative Communities* program and leverage funds). All *Building Collaborative Communities* administrative costs are performance-based, i.e., costs are paid only after the attainment of pre-determined thresholds. These are negotiated between the Commonwealth and the successful grantee after the completion of the Project Management Plan (a management tool that enables the grantee and its partners to know where the project is going and how it will get there). The payment thresholds will outline the respective tasks and how much will be paid upon the completion of each task.

#### *Management Team*

The formation of a Project Management Team to oversee the project will be required. The Team is made up of stakeholders who have direct responsibility or oversight of specific activities necessary for the successful completion of the project.

### *Project Revisions*

The Commonwealth reserves the right to negotiate terms of an award offer, to include changes to the amount of funding requested, restructuring of proposed activities, revisions to the suggested target area, and other changes as deemed necessary.

Projects viewed as a duplication of ongoing or recent efforts or that propose to use funding as a substitute or replacement of other funding will not be considered. Projects building upon previous efforts, such as implementation of recommended strategies, are eligible.

## **Project Priorities and Selection Criteria**

### *Project Area Selection*

Regional collaboration is at the core of this program. Proposals that seek to develop place-based strategies without regard to previously established geographical, political, or membership boundaries will receive the highest consideration. Target areas must also include at least one designated Distressed locality. Projects striving to “stretch” beyond the traditional comfort zone boundaries and target more localities than the minimum required, or which seek to create new partnerships and relationships, will be favored.

### *Project Needs and Outcomes*

Proposals must clearly identify the underlying regional economic needs and assess the likelihood that activities can be completed and later implemented to ultimately lead to measurable long-term impact on the community. Proposals that can document the severity of existing conditions and the need for funding and technical assistance to engage in a collaborative, regionally based approach will be prioritized.

Previously funded BCC applicants must discuss the extent of accomplishments under the prior BCC award. This will include a description of progress in meeting the milestones, products, and activities of the previous award. Any new products and outcomes must be separate and distinct from those in the previous BCC project and not have any duplication or overlap. Prior grantees must also discuss the rationale for providing additional funding and show why additional funding is critical. Organizations are limited to not more than two BCC awards. Funding for Year 3 or beyond will not be allowed.

### *Readiness*

Applicants should plan to initiate activities by late - October, 2012 and complete all tasks within a 12-month period. Applicants should demonstrate that barriers to success have been identified, milestones and expectations are realistic and appropriate, and there is a strong rationale for why the undertaking of this program is timely and appropriate. Proposals that can be initiated immediately will be prioritized.

### *Stakeholder Involvement*



Successful proposals will include the commitment of a broad and diverse base of stakeholders. Strong participation from private sector entities, including local industry and business, local leaders, government officials, educational institutions, appropriate membership organizations, economic developers, community sparkplugs, nonprofits, and others as necessary, is essential. Stakeholder involvement should include representatives from traditionally under-represented demographic groups in the collaborative region. Proposals that demonstrate a high degree of commitment and availability of stakeholders and partners will be given preference.

#### *Commitment of Match Funds*

Matching funds equivalent to 50 percent of the requested *Building Collaborative Communities* program funds must be committed. This includes a local minimum **cash match requirement of at least 25 percent**. Applicants documenting the availability more than the minimum will receive higher consideration.

#### *Distressed Areas*

Applications that include a Distressed locality will be eligible for bonus points. In considering the award of bonus points, applications need to demonstrate the extent and impact to which the proposed project will be located in the Distressed locality identified on the list provided in this proposal and clearly show the level of active participation by those in the Distressed locality, especially the representation and participation of the local leaders and those in decision-making roles.

# ***BUILDING COLLABORATIVE COMMUNITIES PROGRAM***

***Building Collaborative Communities Program Project Plan – Each applicant will be required to respond to the following in the electronic application system (CAMS):***

(2011 grantees need to complete I, II, III, IV, XII, XIII)

***I. Region Overview***

- a. Provide a description of the region.
- b. Which localities are included?
- c. Which locality is classified as Distressed?

***II. Region Selection***

- a. How was this region identified?
- b. What steps were taken to define this region?
- c. How is this a logically defined region? (i.e. common industrial/business clusters, similar assets, cultural similarities, etc...)

***III. Describe the common / shared assets and traits.***

***IV. Historic Economic Development***

- a. What were the historic or original economic engines of the region?
- b. What are the primary economic drivers of the region now?

***V. Economic Climate***

- a. This program seeks to improve the economic well-being and future of declining and distressed regions—discuss the need for assistance.
- b. Describe the overall economic health of the region?
- c. What indicators illustrate and quantify the region's need? Are there severe conditions that have inhibited growth?

- d. Are there events which can be cited as contributing to the decline?

**VI. *Region Workforce***

- a. Describe the quality and availability of the region's workforce.
- b. Is there adequate training in place?
- c. Are existing businesses/industries satisfied with the workforce competencies?
- d. Does the workforce rate favorably compared to other regions?
- e. Are there actions that should be undertaken to improve the quality of the workforce?

**VII. *Impediments***

- a. Discuss obstacles and impediments that have hampered the development of this region.
- b. Have there been previous efforts, and if so, what resulted?

**VIII. *Readiness***

- a. Discuss why this is an appropriate time to undertake this project?
- b. Briefly discuss your readiness to implement the project.
- c. Identify any major remaining issues that could have a negative effect moving forward.

**IX. *Stakeholder Involvement***

- a. Provide a list of the key members of your project team, to include for each: Name, Title, Organization, Sector Represented, Qualifications.
- b. Strong representation from a broad-based, diverse stakeholder group is essential...Have you secured the support and commitments from the key, necessary partners, and are these stakeholders representative of the targeted communities?
- c. Are there any communities or stakeholder groups that have not agreed to participate?

**X. *Organization Structure***

- a. Provide background for the lead applicant?
- b. Is this is a previously formed entity? If yes, briefly describe the history, accomplishments, staff, mission, and any other relevant organizational information.
- c. Was the organization's membership a limiting factor in determining the localities that are participating, or was this expanded to include new localities / areas?
- d. If this is a new entity, was this formed for purposes of this program? Is so, describe how this entity is envisioned to operate and support implementation of this program.
- e. Who will serve as the project administrator?

## ***XI. Outputs and Outcomes***

- a. What do you hope to accomplish by participating in this program?
- b. What are your goals?
- c. How will you define success?
- d. What are your benchmarks and what metrics can be utilized to quantify success?
- e. What type of assistance do you need (i.e. strategic planning, partnership building, organization development, development of a unified vision, etc...)?
- f. How will this program achieve stable, long-term sustainability past the initial funding period?
- g. What will happen to efforts and activities initiated through this program once funds have been expended?

## ***XII. The amount and sources of all matching funds will need to be provided.***

### **PROJECT COST / LEVERAGING FUNDS:**

Source	Amount	Percentage
<i>Building Collaborative Communities</i> Program	\$	%
State	\$	%
Federal	\$	%
Private	\$	%
Local	\$	%
<b>Total</b>	<b>\$</b>	<b>100%</b>

### **XIII. 2011 Building Collaborative Communities Grantees**

- a. What have you done differently as a result of the collaboration with partner localities?
- b. How has the organization grown in its internal capacity?
- c. What were you not able to accomplish this past year as a result of the collaboration that you hoped you could do?
- d. Indicate any other collaborative relationships that have been built with other organizations or additional stakeholders?
- e. Describe how the organization's regional project spawned other regional efforts?
- f. What do you hope to accomplish different in this grant cycle by participating in this program?\_ *Remember that activities must be new and not duplicative of activities funded through the current award.*
- g. How will you define success?
- h. What are your benchmarks and what metrics can be utilized to quantify success?
- i. What are some essential conditions that need to be present to ensure the continued success of the regional collaboration?
- j. Have you put structures/systems in place to sustain the organization and projects beyond the grant? Yes\_\_\_ No\_\_\_ If yes, please describe them.
- k. Discuss your progress in meeting your milestones under the current grant.

### **XIV. Supporting Information**

#### Maps

Provide a map of the proposed region that clearly delineates the overall regional boundary and boundaries for all participating localities.

#### Letters of Support / Commitment

Provide letters of support and commitment to participate for all partner organizations.

### Leverage Documentation

Provide clear evidence that funds in the amount of at least 50 percent of requested funds are available. Keep in mind this includes a local minimum cash match requirement of at least 25 percent. The balance of matching funds may include sources such as State, local, and private resources. Documentable in-kind matching funds may be acceptable. Refer to page 6 for specific instructions. *Previously funded BCC organizations must explicitly document that any proposed matching funds were not included in their prior BCC application.*

### **How-to-Apply Workshops**

Workshops to assist interested applicants in learning more about this program, electronic application submittal, and to provide technical assistance have been scheduled as follows:

#### **August 13, 2012**

1:00 - 3:00 p.m.  
Department of Housing and Community  
Development  
600 E. Main Street  
12<sup>th</sup> Floor  
Richmond, VA 23112

#### **August 14, 201, 2012**

10:00 a.m. – 12:00 p.m.  
Webinar

#### **August 15, 2012**

10:00 - 12:00 p.m.  
Heartwood Regional Artisan Center  
1 Heartwood Circle  
Abingdon, VA 23210

To register for a workshop or to download the proposal guidelines and electronic application instructions, please visit [www.dhcd.virginia.gov/collaboration](http://www.dhcd.virginia.gov/collaboration). While there is no fee to attend, please register by August 7, 2012 at <http://bit.ly/MFtnyC>.